### BEFORE THE DEPARTMENT OF TRANSPORTATION WASHINGTON, D.C.

Agreements Adopted by the Traffic Conferences of the International Air Transport Association

Docket OST-01-

# APPLICATION FOR APPROVAL OF AGREEMENTS BY THE INTERNATIONAL AIR TRANSPORT ASSOCIATION

9 October 2001 Communications with respect to this document should be sent to:

David M. O'Connor Director, Government & Industry Affairs - United States International Air Transport Association 1776 K St. N.W. Suite 400 Washington, D.C. 20006

(202) 293-9292

Summary DOCKET: **OST-01-** DOT ORDER: **pending** 

Date: 9 October 2001

Filing fee/IATA Acct: \$61-2001-14

US/UST involved: No

End of Government Filing Period: 11 October 2001

Intended effective date: 15 October 2001

Agreement: **PTC2 EUR 0411** dated 9 October 2001

Mail Vote 152 - Resolution 010q

TC2 Within Europe Special Passenger Amending Resolution

between Switzerland and Europe

#### **APPLICATION FOR APPROVAL OF AGREEMENT**

Pursuant to statements submitted by Member airlines of the International Air Transport Association (IATA), the undersigned has been constituted to be their attorney-in-fact for filing with the Department of Transportation copies of agreements adopted by the IATA Traffic Conferences.

On their behalf, and pursuant to Sections 41308 and 41309 of Title 49 of the United States Code and Parts 303.03, 303.05 and 303.30(c) of Title 14 of the Code of Federal Regulations, I am filing with the Department this application for approval of an IATA agreement.

This agreement and related factual and explanatory material and documentation required by 14 C.F.R. 303.31 and Department and Civil Aeronautics Board (CAB) precedent are contained in the IATA Traffic Conference documentation summarized above.

This agreement arises from the continuing process of Tariff Coordinating Conferences and was developed in the context of prior Department and CAB rulings addressing related resolutions which reflected regulatory and market conditions then in effect. Thus, the present agreement should be viewed as part of a dynamic process of IATA Member airline adjustment to governmental and economic factors.

On previous occasions, the Department has found such agreements to be consistent with the public interest when they do not result in fares or rates that are unlawful or injurious to competition in the markets at issue. Approval of the present agreement would not yield fares or rates that are unlawful or injurious to competition. Moreover, approval of this agreement, which reflects compromises among the differing economic and social philosophies of the many nations whose airlines are parties, will advance the public interest in maintaining good aviation relations with other countries.

We request early approval by the Department of the foregoing agreement, pursuant to 49 U.S.C. 41309, and the grant of full antitrust immunity, pursuant to 49 U.S.C. 41308.

The conferral of full antitrust immunity would be in the public interest and necessary for the transaction to proceed. This agreement is a product of the IATA Tariff Coordinating Conferences which the Department found to be anticompetitive but nevertheless approved and immunized in Order 85-5-32 (May 6, 1985) on foreign policy and comity grounds because such action is necessary to achieve the serious transportation need of maintaining good aviation relations with other countries and these benefits are not obtainable by reasonably available means having materially less anticompetitive effects.

This agreement concerns fares or rates only between non-U.S. points and thus has at most indirect application in foreign air transportation. The U.S. authorities have recognized (e.g., Order 79-8-194, August 30, 1979) that the interests of sovereign nations in the conditions governing air transportation between them greatly exceed any that the U.S. might have by reason of U.S. airline, citizen or shipper participation. This agreement is not adverse to the public interest and should be granted full immunity.

Respectfully submitted:

David M. O'Connor Director, Government & Industry Affairs - United States International Air Transport Association Attorney-in-fact

# **CERTIFICATE OF SERVICE**

A copy of this application or a summary notice thereof has been served by first class or priority mail on the following persons:

Chief, Transportation, Energy & Agriculture Section
Antitrust Division
Department of Justice
Washington D.C. 20530

Donald L. Pevsner 1765 East Riviera Drive Merritt Island, FL 32952 (upon request)

David M. O'Connor

9 October 2001 Date Served



# International Air Transport Association

IATA Centre, Route de l'Aéroport 33 P.O. Box 416 CH-1215 Geneva 15 Airport Switzerland

9 October 2001

#### MEMORANDUM

PTC2 EUR 0411

TO: Members Participating in Tariff Coordinating Conferences (SP-1645)

FROM: Director, Interline and Revenue Management Services

SUBJECT: Mail Vote 152 - Resolution 010q

TC2 Within Europe Special Passenger Amending Resolution

**Between Switzerland and Europe** Intended Effective Date: 15 October 2001

#### **VOTING RESULT - AFFIRMATIVE**

This confirms message TD246 of 3 October 2001 which declared the above mentioned Mail Vote adopted as circulated by TD206 dated 25 September 2001 and amended by messages TD214 dated 27 September 2001, TD219 dated 28 September 2001, TD222 dated 1 October 2001, TD236 dated 2 October and TD246 dated 3 October 2001.

The filing period for the attached Resolution(s) ends **11 October 2001.** Members are reminded of their obligations under Resolutions 001 and 006 to advise this Office by the end of the filing period whether approval by their Government authorities is required and, if so, to accomplish the necessary filing formalities. The effective date will be declared in accordance with Resolutions 001 and 006, when all the known necessary Government approvals have been received.

This Mail Vote was issued at the request of Swiss Air Transport Co. Ltd. in order to increase fares between Switzerland and Europe due to extraordinary cost increases.

Philip Djaferis
Assistant Director.

**Customer and External Relations** 

Interline and Revenue Management Services

#### **TC2 WITHIN EUROPE**

# SPECIAL PASSENGER AMENDING RESOLUTION BETWEEN SWITZERLAND AND EUROPE

PTC2(Mail 152)010q

Filing Period: Begins: 4 October 2001 Intended Effectiveness: 15 October 2001

Ends: 11 October 2001 Expiry: Indefinite

Type: B

#### RESOLVED that,

Fares between Switzerland and Europe are increased by 5% except:

- 1. From Poland to Switzerland by 3%
- 2. No Increase shall apply:
  - a) From Belgium, Estonia, Finland, France, Greece, Hungary, Macedonia (FYROM), Russia (in Europe), Scandinavia, Slovenia, Spain, Tunisia to Switzerland,
  - b) Between Switzerland and Algeria, Czech Republic, Germany, Italy, Latvia, Lithuania, Malta, Slovakia